

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7177**

**BILL NUMBER:** HB 1274

**NOTE PREPARED:** Feb 20, 2003

**BILL AMENDED:**

**SUBJECT:** Working Conditions and Hours for Minors.

**FIRST AUTHOR:** Rep. Weinzapfel

**FIRST SPONSOR:** Sen. Harrison

**BILL STATUS:** As Passed - House

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill authorizes an employer to employ a child less than 18 years of age beginning at 6 a.m. on school days and until midnight on certain nights. It deletes certain provisions pertaining to the hours and conditions of employment of employees less than 18 years of age. The bill changes the requirements for rest breaks for children who are employees. It also provides that a child less than 18 years of age working between the hours of 10 p.m. and 6 a.m. must be accompanied during those hours by another employee at least 18 years of age if the establishment is open to the public, and that a violation is a hazardous occupation violation by the employer.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** The changes in this bill could have a minimal administrative impact on the Department of Labor in so far as the Department is charged with overseeing employers' compliance with the state's labor laws. The Department of Labor employs four child labor inspectors.

**Explanation of State Revenues:** This bill allows for the assessment of a civil penalty for noncompliance with the requirement that a person older than 18 years of age be present when a child less than 18 years of age is working between 10 p.m. and 6 a.m.. The civil penalty for a violation of this provision is \$100 per instance for each violation identified following the initial inspection. A civil penalty of \$200 per instance can be assessed for a third violation, and a \$400 civil penalty can be assessed for the fourth or subsequent violation. Civil penalties are deposited in the Employment of Youth Fund. In FY 2002, \$93,841 in civil penalties were deposited in this Fund.

Depending on the compliance rate, this bill could increase the amount of civil penalties assessed and

deposited in the Employment of Youth Fund. Half of the Fund is used for educating affected parties on the purpose and content of child labor laws. The other half of the Fund is used for the hiring and salaries of additional inspectors to enforce child labor laws

**Explanation of Local Expenditures:** The bill deletes the exemption from the rest break requirement for minors employed at camps operated by nonprofit entities. The impact of the bill on affected local entities is expected to be negligible.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Labor.

**Local Agencies Affected:** Camps and similar facilities operated by cities, towns, or counties.

**Information Sources:**

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825